

# CITY COUNCIL OF THE CITY OF ANNAPOLIS

## ORDINANCE NO. O-26-04Amended

Introduced by Mayor Moyer

AN ORDINANCE concerning

### Historic Preservation Tax Credit

FOR the purpose of establishing a property tax credit to preserve the historic character of the community and to encourage the preservation, restoration and rehabilitation of structures in the Annapolis Historic District and designated Annapolis landmarks having historic or architectural value located within the City limits as authorized by Section 9-204 of the Tax Property Article 9-204 of the Annotated Code of Maryland; and matters generally relating to said tax credit.

\* \* \* \* \*

BY adding a new Section 6.04.230 to the Code of the City of Annapolis, 2005 Edition

**SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that the Code of the City of Annapolis shall read as follows:

#### **Section 6.04.230 Historic Preservation Tax Credit.**

A. Purpose: Subject to the provisions of this section there shall be allowed a tax credit on City real property taxes based upon the amount expended by a property owner for preservation, restoration and rehabilitation of any structure having historic or architectural value which is designated a City of Annapolis Landmark by resolution of the City Council based upon designation by the Annapolis Historic Preservation Commission. The total amounts of tax credits applied by the Director of Finance may not exceed \$1 million \$150,000 in any one fiscal year.

B. Eligibility: The tax credit shall be limited to those expenses having to do with exterior features of a structure only and not to expenses relating to the interior of a structure, which are not subject to the jurisdiction of the Annapolis Historic Preservation Commission. The tax credit shall be in an amount equal to ten percent (10%) of the owners expense for such restoration and preservation, as indicated by properly documented receipts. The total estimate for eligible expenses must exceed \$5,000 per application. If property owner initiates an action that results in the loss of Landmark status within five years, then the owner must refund the entire amount of the tax credit to the City. If the loss of the Landmark status is not due to owner's actions, then no refund is required.

C. Project approval: Once a structure has been designated a City of Annapolis Landmark, the property owner may submit an application for the Historic Preservation Tax Credit to the Historic Preservation Commission along with any other information requested by the Commission. The Historic Preservation Commission shall approve the application if it meets the criteria as set forth in this section, the Historic Preservation Commission Design Manual, and The Secretary of the Interior's Standards for Preservation, Restoration and Rehabilitation. Upon approval by the Historic Preservation Commission, the property owner must submit a tax credit application to the Chief of Historic Preservation. At the same time, the property owner must also submit any other necessary building and other permit requests to the Director of Neighborhood and Environmental Programs. All work must commence within one year of application approval by the Historical Preservation Commission.

D. Application of credit: Within two years of approval by the Historic Preservation Commission, the property owner must submit appropriate receipts to the Chief of Historic Preservation. Upon notification by the Chief of Historic Preservation and the Director of Neighborhood and Environmental Programs that applicable laws have been met in the preservation, restoration and/or rehabilitation of the approved structure, the Director of Finance may apply the approved tax credit to the ~~next~~ property owner's next tax bill. If the tax credit exceeds the property tax bill, the balance may be carried forward up to a total of five year.

**SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.

**ADOPTED** this 13<sup>th</sup> day of December, 2004.

**ATTEST:**

**THE ANNAPOLIS CITY COUNCIL**

\_\_\_\_\_  
Deborah Heinbuch, MMC  
City Clerk

BY: \_\_\_\_\_  
ELLEN O. MOYER, MAYOR

**EXPLANATION:**

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Redlining indicates matter added to existing law.  
~~Strike Out indicates matter deleted from existing law.~~  
Underlining indicates amendments.